UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109th Congress ¹

[Date approved: December 30, 2005]²

Bill No. and sponsor: H.R. 2845 (Ms. Marcy Kaptur of Ohio).

Proponent name, location: Fenner PLC, Charlotte, NC.

Other bills on product (109th Congress only): None

Nature of bill: Temporary duty suspension through Dec. 31, 2008.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Plain woven fabrics obtained from high tenacity yarn of manmade fibers, the foregoing fabrics coated, covered or impregnated with resorcinol formaldehyde latex (provided for in subheading 5407.10.00).

Check one:

Same as that in bill as introduced.

X Different from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

The bill covers woven fabrics that are made from high tenacity synthetic filament yarns and have been treated with resorcinol formaldehyde latex, a substance that facilitates bonding to rubber. Such fabrics are used to make industrial conveyor belting commonly used in heavy industries such as mining. The subject product is classified in a broader HTS subheading covering other fabrics, and no separate import data are available. However, industry sources suggest that imports of the subject fabric account for roughly 25 percent of total imports under HTS subheading 5407.10.00. Primary suppliers of U.S. imports of the subject product are Germany and Portugal.

Industry analyst preparing report: Heidi Colby-Oizumi (202-205-3391); Tariff Affairs contact: Jan Summers (202-205-2605).

² An electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm

Estimated effect on customs revenue:

| HTS subheading: <u>5407.10.00</u> | | | | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|--|--|--|
| $\bigg\rangle\!\!\!\bigg\rangle$ | 2005 | 2006 | 2007 | 2008 | 2009 | | | |
| Col. 1-General rate of duty | 13.6% | 13.6% | 13.6% | 13.6% | 13.6% | | | |
| Estimated value <i>dutiable</i> imports | \$3,763,000 | \$4,139,300 | \$4,553,230 | \$4,500,000 | \$4,500,000 | | | |
| Customs revenue loss | \$511,768 | \$562,945 | \$619,239 | \$612,000 | \$612,000 | | | |

Source of estimated dutiable import data: Industry estimates.

Contacts with domestic firms/organizations (including the proponent):

| Name of firm/organization | Date contacted | US production of same or competitive product claimed? | Submission attached? | Opposition noted? |
|--|-------------------|---|----------------------|-------------------|
| | | (Yes/No) | | |
| Fenner PLC (Proponent) M. Scott Aubry, counsel, 419-321-1218 | 10/07/2005 | No | No | No |
| Industrial Fabrics Association International Stephen M. Warner, 651-222-2508 | 09/29/2005 | No | No | No |
| National Council of Textile Organizations Mike Hubbard, 704-824-3522 | 10/05/2005 | No | No | No |
| National Textile Association David Trumbull, 617-542-8220 ext. 2 | 09/29/2005 | No | No | No |

Technical comments:³

It is suggested that the article description be modified to read as shown on page 1 of this report, in order to achieve consistency with normal tariff usage.

The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

109TH CONGRESS 1ST SESSION

H. R. 2845

To suspend temporarily the duty on certain plain woven fabrics.

IN THE HOUSE OF REPRESENTATIVES

June 9, 2005

Ms. Kaptur introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To suspend temporarily the duty on certain plain woven fabrics

| fabrics. | | | | | | | | | | |
|----------|--|------------|--|-------|-----------|-----------|----------------------------|----|--|--|
| 1 | Be it enacted by the Senate and House of Representa- | | | | | | | | | |
| 2 | tives of the United States of America in Congress assembled, | | | | | | | | | |
| 3 | SECTION 1. CERTAIN PLAIN WOVEN FABRICS. | | | | | | | | | |
| 4 | | (a) I | n General.— | Subch | apter I | I of cha | pter 99 | of | | |
| 5 | the Harmonized Tariff Schedule of the United States is | | | | | | | | | |
| 6 | amended by inserting in numerical sequence the following | | | | | | | | | |
| 7 | new heading: | | | | | | | | | |
| | " | 9902.54.01 | Plain woven fabrics, composed of man-made fiber textile materials, which have been coated, covered or impregnated with resorcinol formaldehyde latex (provided for in subheading 5407.10.00) | Free | No change | No change | On or before 12/31/2008 | ". | | |

- 1 (b) Effective Date.—The amendment made by
- 2 subsection (a) applies with respect to goods entered, or
- 3 withdrawn from warehouse for consumption, on or after

4 the 15th day after the date of the enactment of this Act.

0